Final Report

Of the Havre Local Government Review Study Commission

2016

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LETTER TO THE CITIZENS OF CITY OF HAVRE, MONTANA

FINAL REPORT August 10, 2016

City of Havre from the Local Government Review Study Commission

To the Citizens of City of Havre:

- The Havre City Government Study Commission elected by the voters on November 4, 2014, or thereafter appointed, present this final report to you, the citizens of City of Havre.
- The purpose of the study commission, as defined in state law, is "to study the existing form and powers of a local government and procedures for delivery of local government services and to compare them with other forms available under the laws of the state." After completing these two phases of the study it is the responsibility of the study commission to submit a final report recommending no change, or propose an amendment to the existing form of government or offer an alternative form of government to the qualified electors.
- In every phase of this review, this study commission sought advice and information from as many people in the city as possible. Opinions and recommendations were solicited from local government officials, community organizations and citizens. All meetings of the study commission were open to the public. Commission members appeared before various community organizations to explain the work of the commission and also to hear the viewpoints, ideas, and concerns of those present. Public hearings were held; an on-line survey of citizen input was utilized as well.
- Our recommendations reflect the thoughts and opinions of those who participated in public hearings, those who attended our regular meetings, and those who responded to the survey, in addition to the independent efforts of this study commission.
- In this formal report we present our recommendations for an alternative form of government that we feel will provide the governmental services expected by the people both today and in the future. Our concern has been to provide a form of government that will be responsive to local citizens and provide the opportunity for devising solutions to local problems. We feel the citizens of Havre can achieve these goals by adopting the Commission-Manager form with self-government powers.

Copies of the entire FINAL REPORT can be obtained at the City of Havre offices, 520 4th Street between the Hours of: 8am to 5pm, Monday through Friday.

The question of adopting this alternative form of government will be placed on the ballot November 8, 2016.

Respectfully submitted,
City of Havre Government Study Commissioners
Chairperson: David H. Brewer:
Vice Chairperson: Perry C. Atchison: Very C, Utchison
Commissioner: Lowell J. Swenson:
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REPORT SUMMARY

The City of Havre Local Government Study Commission having thoroughly studied our present form of city government and the alternative forms of government available to cities under state law and having studied the future governmental needs of this city, recommends the following:

1. City of Havre should adopt effective July I, 2017, the commission-manager form of government with self-government powers. Creating a commission of seven (7) members will provide a legislative body large enough to insure adequate representation and small enough to be efficient. The method of election- four (4) members elected by district and two members and Mayor elected at-large-will allow the interests of each district to be represented, but at the same time those elected at-large will provide a city- wide perspective.

A. Findings of the Study Commission

After an intensive study of almost two years, it is the decision of the study commission to recommend changes in the structure and power of city government that will provide a governmental framework to meet the changing needs of this city. Problem areas that were identified during the course of the study by research, discussion, public hearings, testimony of public officials, and citizen surveys indicate that in exercising its' traditional functions, under the current form of city government lacks the professional experience it needs. If city government is to play a wider role it must have adequate legal authority to act; it must also have more control over its organizational structure so that it can act effectively and oversee the performance of city functions.

The "traditional" form of city government has existed in City of Havre since the creation of the city in 1891, and is basically the same government as was originally described in the 1889 Constitution. The form still reflects its' "traditional" role as an administrative arm of the city government in its organizational structure. Its duties are detailed in state law, and its' authority to deal with local problems is limited.

The needs of the city, however, have changed since 1891; with patterns shifting and citizen demands for services rising. The changes are placing heavier new demands on city government to provide more services such as sewer, water and refuse disposal both within and outside the city limits. To effectively respond to these growing needs, city government must modify its' structure and authority.

Other areas of concern also emerged during the course of the study which affected the study commission's choice of an alternative form. Citizen response to the survey which was conducted, and testimony at the public hearings, indicated that citizens are concerned about local decisions not being made at the local level, about the quality of services (especially roads), about the level of taxes, and about the lack of professional management and perceived citizen participation in city government.

These frustrations and expectations of citizens and local officials alike, in addition to the changing role and complexity of city government, and growing needs of the city, led the study commission to identify these main goals:

- 1. Improve communication between the Council and the Departments;
- 2. Identify Emergency plans of the City;
- 3. See what support or road blocks exist to forming a Charter with Self-Governing Powers;
- 4. Issues concerning public input to the City government;
- 5. Decide the Form of Government that would be advantageous for a more efficient running of the City;
- 6. Which City Services could/should be consolidated with the County;

In an attempt to achieve these goals, the study commission recommends a Manager/Commission form of government with self-government powers.

B. Key Provisions of the Proposal

1. Self-Government Powers

Under the 1972 State Constitution, the potential power and authority of local government has been changed. Traditionally, the power over governmental concerns of the city has been the prerogative of the state legislature. The legislature decided what city government should do and how it should do it.

The new constitution provides that "self-government powers" can be adopted by cities along with an alternative form of government. The adoption of self-government powers would alter the traditional relationship between the state and the city. Certain areas of control would be transferred from the state legislature to the city commission. Some decisions that are now made on a state-wide basis by the legislature could be made at the city level. State-wide uniformity, while still mandated in certain areas, could be replaced in other areas with procedures tailored to the particular needs of our city. Self- government powers would mean greater flexibility in shaping our governmental structure, greater power to solve our own problems, and more responsibility to recognize and deal with these problems.

2. Separation of Legislative and Administrative Functions

In its traditional role as an administrative arm of state government, the Organizational structure of the city may have been adequate. However the existing Mayor/City Council form has weaknesses to adequately handle the everincreasing responsibilities in city government.

The existing government lacks a professional administrative head, a person responsible for supervision of the functions and services provided by city government to see that the goals of the city are carried out as efficiently as possible. At present, these functions and services are provided by the Mayor and eight (8) Council members, six (6) Department Heads, four (4) City/County Boards and two (2) City Boards. The current city government has the authority to coordinate these offices and boards to supervise their programs. Many are substantially independent of any control.

The proposed form of government a commission of seven members will act as a legislative body with the power to formulate city policy. The commissioners and Mayor/Chairperson will have the authority to enact ordinances to carry out that policy. The responsibility of administering and enforcing these ordinances lies with the city manager.

3. ChiefAdministrative Officer

The city manager, a professional administrator hired by the commission "on the basis of merit only" is responsible for the administration of the programs and policies determined by the commission. Subject to the commission's general direction, the manager controls the hiring and firing of city personnel, directs and supervises the administration of all departments, prepares the budget, and is in charge of the business affairs of city government. The manager serves at the pleasure of the commission and may be replaced at any time (with a majority vote).

4. Representation

Creating a commission of seven (7) members will provide a legislative body large enough to insure adequate representation and small enough to be efficient. The method of election- four (4) members elected by district and two members and Mayor elected at-large--will allow the interests of each district to be represented, but at the same time those elected at-large will provide a city- wide perspective.

Table 1: City of Havre Organizational Chart – Current Form – Council/Mayor

HAVRE VOTERS Elect_ **CITY COUNCIL MAYOR Appoints With** Consent of Council **Police Chief Fire** Chief **Director of Public Works Finance Director/Clerk** Director of Park/Rec

Boards/Councils



CITY OF HAVRE COMPARISON OF SPECIFIC CHARACTERISTICS OF THE EXISTING COMMISSION/EXECUTIVE AND THE PROPOSED AMENDED CHARTER & COMMISSION/MANAGER

CHARACTERISTIC	PRESENT	PROPOSED	OULDTED
FORM OF	COMMISSION-EXECUTIVE	COMMISSION MANAGER	CHARTER
GOVERNMENT			
DESCRIPTION OF FORM	7-3-201 The commission-executive form (which may be called the council-executive, councilmayor, or the commission-mayor form) consists of an elected commission (which may be referred to as the council) and one elected executive (who may be referred to as the mayor) who is elected at-large.	7-3-301 The commission-manager form (which may be called the council-manager form) consists of an elected commission (which may be called the council) and a manager appointed by the commission, who shall be the chief administrative officer of the local government. The manager shall be responsible to the commission for the administration of all local government affairs placed in their charge by the law, ordinance, or resolution	7-3-701 Charter provisions establish executive, legislative, and administrative structure and organization and are superior to statutory provisions.
DUTIES OF EXECUTIVE: * MAYOR, * MANAGER, * CHAIRMAN	7-3-203 1. Enforce laws, ordinances, and resolutions; 2. Perform duties required by law, ordinance, or resolution; 3. Administer affairs of the local government; 4. Carry out policies established by the commission; 5. Recommend measures to the commission; 6. Report to the commission on the affairs and financial condition of the government; 7. Execute bonds, notes, contracts, and written obligations of the commission, subject to the approval of the commission as the commission may require; 9. Attend commission meetings may take part in discussions;	 Carry out policies established by the commission; Prepare commission agenda; Recommend measures to the commission; Report to the commission on the affairs and financial condition of the government; Execute bonds, notes, contracts, and written obligations of the commission, subject to the approval of the commission. 	7-3-704 Duties to be spelled out in the charter.

DUTIES OF EXECUTIVE: * MAYOR, * MANAGER, * CHAIRMAN Continued:	the commission; 11. Appoint, with the consent of the commission, members of boards; except the executive may	11. Attend commission meetings may take part in discussions but may not vote; 12. Prepare budget for commission and execute the budget adopted by the commission; 13. Appoint, suspend, remove all employees 14. Appoint members of temporary committee s established by the manager.	
POWERS	7-3-202 The plan of government submitted to the qualified electors shall determine the powers of the local government unit by authorizing: 1. General Government Powers	7-3-302 The plan of government submitted to the qualified electors shall determine the powers of the local government unit by authorizing: 1. Self-government powers.	-

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DUTIES &	(1) The Town council shall appoint a Manager who
TRANSITION	shall serve under contract as the chief executive
	officer and chief administrative officer of the Town.
	(2) The Manager shall have the following
	responsibilities: (a) implement and enforce the
	ordinances, resolutions, policies, directives and
	contracts approved by Town council
	(b) administer the affairs of the Town (c) prepare
	the budget for council approval (d) recommend
	long-range planning strategies and economic
	development issues affecting public services and
	fiscal solvency (e) oversee agenda for Town council
	meetings (f) supervise all Town departments and
	offices (g) appoint all Town employees (h) suspend
	all Town employees. (i) Remove all Town
	employees after consultation with the appropriate
	department head and with the advice and consult
	of the Town council.
	The Town council shall review and, where
	necessary, revise or repeal all Town ordinances
	and resolutions and policies to provide for their
	compliance with this Charter. This shall be
	completed by December 31, 2017. Upon passage of
	the Charter by the electors at the November 2016
	election, this Charter will become effective
	January 1, 2018

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Certificate "A" - Proposed Plan of Government

CHARTER OF THE CITY OF HAVRE

PREAMBLE

We, the people of Havre, County of Hill, State of Montana, to preserve our heritage, to maintain our quality of life and to provide for the future of Havre, in accordance with Article XI, Section 5 of the Constitution of Montana, do hereby adopt this Charter.

ARTICLE 1

POWERS OF THE CITY

Section 1.01 Powers of the City

The City of Havre shall have all the powers not prohibited by the Constitution of Montana, the laws of Montana, or this Charter.

Section 1.02 Interpretations of Powers

The self-government powers and authority of the city of Havre shall be liberally construed. Every reasonable doubt as to the existence of a city power or authority shall be resolved in favor of the existence of that power or authority.

Section 1.03 Charter Supremacy

As provided by Article XI, Section 5 of the Constitution of Montana, provisions herein establishing executive, legislative and administrative structure and organization are superior to statutory provisions.

ARTICLE II

LEGISLATIVE BRANCH

Section 2.01 City Commission

The legislative branch shall consist of the city commission which shall be the governing body of the city.

Section 2.02 Composition

The City of Havre shall have a city commission of seven (7) members, four of whom shall be elected from each of four (4) wards, two elected at large and a mayor elected at large.

Section 2.03 Qualifications for Office

Every resident of the City of Havre who is 18 years of age or older, a citizen of Montana and a qualified elector pursuant to Article IV, Section 2 of the Montana Constitution is eligible to hold the office of commissioner.

Section 2.04 Terms of Office

Members of the commission shall be elected to four (4) year overlapping terms of office.

Section 2.05 Election

Local government elections shall be conducted on a nonpartisan basis. Four members shall be elected by wards in which candidates must reside and which are apportioned by population. Two commission members shall be elected at large and a mayor elected at large.

Section 2.06 Vacancy in Office

The office of commissioner becomes vacant as prescribed by law.

Section 2.07 Removal from Office

The office of commissioner shall become vacant upon his death, resignation, removal from office in any manner authorized by law or forfeiture of his office.

Section 2.08 Filling a Vacancy on the Commission

When a vacancy occurs in the office of commissioner, the position shall be considered open and subject to nomination and election at the next general municipal election, except the term of office shall be limited to the unexpired term of the person who originally created the vacancy. Pending the election and qualification, the commission shall appoint within 30 days of the vacancy, by the affirmative vote of four (4) commission members, a person possessing the qualifications for office required by law and this Charter to hold the office until the successor is elected and qualified.

Section 2.09 Chairman of the Commission

The chairman and presiding officer of the commission shall be the mayor, who shall vote as other members of the commission and shall not have veto authority. In the absence of the mayor, the commission shall select a person from among their own number to serve as acting chairman and presiding officer.

Section 2.10 Other Duties of the Mayor

The mayor shall be recognized as the principal officer of city government for ceremonial purposes and shall have no other executive or administrative duties, except as specifically prescribed by resolution.

Section 2.11 Powers and Duties

- The commission shall be the legislative and policy determining body of the city. Except as
 prohibited by the constitution of the State of Montana, the laws of the State of Montana or
 this Charter, the commission shall provide for the exercise of all powers of the city and for
 performance of all duties and obligations of the city.
- 2. All members of boards, other than temporary advisory committees established by the manager, shall be appointed by the commission.

Section 2.12 Legislative Action

A minimum of four (4) commission members must be present when official actions are taken by the commission.

Section 2.13 Procedure

The commission shall establish the rules of procedure and time and place of meetings by resolution.

Section 2.14 Compensation

The compensation of the commission shall be set by ordinance.

ARTICLE III

EXECUTIVE BRANCH

Section 3.01 Manager

The manager, who shall be the chief executive and the chief administrative officer of the city, shall be appointed by the commission for an indefinite term on the basis of merit only and may be removed only by the affirmative vote of four (4) members of the commission.

Section 3.02 Duties of the Manager

The manager shall:

- Enforce laws, this Charter and resolutions;
- 2. Perform the duties required by law, this Charter, ordinance or resolution;
- 3. Administer the affairs of the city government;
- 4. Direct, supervise and administer all departments, agencies and offices of the city except as otherwise provided by law, this Charter or ordinance;
- 5. Carry out policies established by the commission;
- 6. Prepare commission agenda;
- 7. Recommend measures to the commission;
- 8. Report to the commission on the affairs and financial condition of the city government;
- 9. Execute bonds, notes, contracts and written obligations of the commission, subject to the approval of the commission;
- 10. Report to the commission as the commission may require;
- 11. Attend commission meetings and may take part in the discussion, but may not vote;
- 12. Prepare and present the budget to the commission for its approval and execute the budget adopted by the commission;
- 13. Appoint, suspend and remove all employees of the city except as otherwise provided by law or ordinance;
- 14. Appoint members of temporary advisory committees established by the manager.

Section 3.03 Administrative Duties

Employees appointed by the manager and his or her subordinates shall be administratively responsible to the manager. Neither the commission nor any of its members may dictate the appointment or removal of any employee whom the manager or any subordinates are empowered to appoint. Except for the purpose of inquiry or investigation ordered by the commission, the commission or its members shall deal with the city employees who are subject to the direction and supervision of the manager solely through the manager, and neither the commission nor its members may give orders to any such employee, either publicly or privately.

Section 3.04 Compensation

The compensation of the manager shall be set by resolution of the City Commission.

ARTICLE IV

JUDICIAL BRANCH

Section 4.01 City Court

There shall be a city court or municipal court as prescribed by law.

ARTICLE V

DEPARTMENT STRUCTURE

Section 5.01 Organization of Departments

The organization of city departments shall be prescribed by ordinance.

ARTICLE VI

GENERAL PROVISIONS

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Section 6.01 Amendment of Charter

This Charter may be amended only as prescribed by law.

Section 6.02 Effective Date

This Charter shall become effective on January 1, 2018.

Section 6.03 Oath of Office

Before assuming the duties of this Charter, all elected city officials and the city manager shall take and subscribe to the oath of office as prescribed in Article III, Section 3 of the Constitution of Montana.

Section 6.04 Severability

If any section of this Charter is held invalid, the other provisions of this Charter shall not be affected thereby. If the application of this Charter, or any part of its provisions, to any person or circumstance is held invalid, the application of the Charter and its provisions to other persons or circumstances shall not be affected thereby.

ARTICLE VII

TRANSITION PROVISIONS

Section 7.01 General Transition

Transition to this charter form of government shall be as prescribed by law. The Study Commission shall provide for such transition with an advisory plan consistent with law. The provisions of this transition article shall not be published as part of the Charter after January 1, 2018.

Section 7.02 Continuation in Office

No current city employee shall lose employment solely because of the adoption of this Charter. All persons holding elective office at the time of this Charter is adopted may continue in office until the officers of the new government are elected, qualified and sworn into their respective office, at which time all now existing elected offices of city government shall be vacated.

Section 7.03 Review of Existing Ordinances

All city ordinances, resolutions and rules of the City of Havre shall remain in effect until reviewed, continued, revised or repealed by the city commission. The city commission shall review and, where necessary, revise or repeal all city ordinances to provide for compliance and consistency with this Charter and state law no later than January 1, 2020.

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Study Commission Chair: David H. Brewer					
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Study Commission Vice Chair: Perry A. Atchison					
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Study Commissioner: Lowell J. Swenson					

Certificate ''B" - Proposed Findings and Recommendations

FINDING

The City Judge's office is closed from 3:00 to 5:00 every week day. It is impossible for individuals to pay court fines during this time period.

RECOMMENDATION

Since City Hall is open to the public from 8 a.m. to 5 p.m. on Monday through Friday, someone in the Judge's office should be available to receipt money from 3 to 5 p.m. If for some reason this isn't possible, another alternative should be established so citizens can pay court fines during the hours City Hall is open.

FINDING

There are no regular meetings between department heads and the mayor. The mayor meets with individual department heads as necessary.

RECOMMENDATION

To improve communication between the various departments and the mayor, regular scheduled meetings should be held monthly or at a minimum of quarterly. (ONLY Applicable if Ballot Fails)

FINDING

Because of the need for professional management in a city the size of Havre, the Study Commission is proposing a change to a Manager/Commission form of government.

RECOMMENDATION

If the Manager/Commission form of government is not approved in the election, the Council should study the feasibility of an Administrative Assistant to the mayor or a Human Resource Manager.

FINDING

Communication between department heads, city council and citizens needs improvement.

RECOMMENDATION

Department heads, water and sewer plant superintendents, librarian and parks foreman should report on a regular basis to the city council regarding the operations they are in charge of.

To keep the public better informed, department heads could utilize the newspaper and the radio to report on the activities of their department. Social media, such as Facebook and the City's website, could be used more effectively.

FINDING

There are properties that receive city services of water and sewer and are located in the county.

RECOMMENDATION

Annexation should be aggressively pursued. If the properties benefit from city services, they should be part of the city. Ideally, property should be annexed into the city before receiving these services. If property was annexed before construction, the City of Havre would receive the building permits instead of the State of Montana.

FINDING

Many ordinances are outdated and/or unenforced. Also, ordinances are often enforced only when complaints are received. One example of an ordinance that is both outdated and unenforced is City Code 6-1-12 which states "It shall be unlawful for any person to spit, hawk or expectorate upon any sidewalk or street crossing in the city". This ordinance was put on the books 4/21/1913. Another outdated section is Chapter 4-Smoking in Public Buildings. This chapter requires notice of the provisions of this chapter be posted in a conspicuous place in every sleeping room of every hotel. Another unenforced ordinance that some would like to see enforced is 6-2-15 stating "Animals shall be prohibited from the city parks".

RECOMMENDATION

Outdated and unenforced ordinances should be deleted, revised or enforced. Although codification is an expensive process, the City Code should be a current and meaningful set of laws.

FINDING

The city's population has been less than 10,000 since 2000. Montana statute 7-1-4111(2) states that a Second-Class City has a population less than 10,000 and more than 5,000. The legislature in 2003 made an exception that cities with more than 9,000 and less than 10,000 can be a First-Class City by resolution. There appear to be no disadvantages to a Second-Class City classification and there may be more grant opportunities with this classification.

RECOMMENDATION

The City Council should study the benefits of a Second-Class City classification. If it is advantageous for the city, a resolution adopting the Second-Class City classification should be prepared.

FINDING

There are a substantial number of city streets that need repairs and are in poor condition for travel. The current budget does not allow for the reconstruction of streets and replacement of the infrastructure below the streets.

RECOMMENDATION

Annual maintenance to patch streets should be scheduled, as much as budget allows. Because there are areas where the entire street and the water and sewer lines need replacement, the city should continue to pursue a bond issue as an additional source of funding. Public Works should prepare a prioritized list of streets needing replacement.

ATTEST: Chabled OM Fator Sinance Director/City Clerk: Douglas A. Kaercher Elizabeth A. McIntosh Study Commission Chair: David H. Brewer Gory C. Atchisur

Study Commission Vice Chair: Perry A. Atchison

Study Commissioner: Lowell J. Swenson

Certificate ''C'' — Establishment of the Date of the Election

The Havre City Local Government Review Study Commission Proposal shall be submitted to the voters of Havre at a general election to be held with the General Election on November 8, 2016.

We, the Local Government Review Study Commissioners of the Town of Havre, do hereby certify that this is the date of the special election approved by the Study Commissioners to the Town of Havre.

In testimony whereof, we set our hands.

Done at Havre, Montana this 15th Day of August, 2016

ATTEST:

Finance Director/City Clerk: Douglas A. Kacreher Elizabeth A. McIntosh

Study Commission Chair: David H. Brewer

Study Commission, Vice Chair: Perry A. Atchison

Study Commissioner: Lowell J. Swenson

Certificate 'D'' — Establishment of the Official Ballot for the November 8, 2016 General Election

Ballot Language for Alteration of Form of Government

[] FOR the existing form of government

SHALL THE CITY OF HAVRE RETAIN THE EXISTING FORM OF GOVERNMENT OR ADOPT A SELF-GOVERNMENT CHARTER WITH THE COMMISSION-MANAGER FORM OF GOVERNMENT?

VOTE FOR ONE:

[] FOR adoption of a government, proposed for the Ci	self-government charter ty of Havre by Petition o	with a commiss of the electors and	sion-manager form of d by the Havre Local
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Government Study Commission

ATTEST: Elyabeth all Tatosh	Elizabeth A. McIntosh
Deputy Finance Director/City Clerk: Douglas A. Kaercher	Z (12abche 11
1) The Dum	
Study Commission Chair: David H. Brewer	
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Study Commission Vice Chair: Perry A. Atchison	
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Study Commissioner: Lowell J. Swenson	

Amended Certificate "D" – Establishment of the Official Ballot for the November 8, 2016 General Election

Ballot Language for Alteration of Form of Government

SHALL THE CITY OF HAVRE RETAIN THE EXISTING FORM OF GOVERNMENT OR ADOPT A SELF-GOVERNMENT CHARTER WITH THE COMMISSION-MANAGER FORM OF GOVERNMENT?

VOTE FOR ONE:

[] FOR the existing form of government.

[] FOR adoption of a self-government charter with a commission-manager form of government, proposed for the City of Havre by the Havre Local Government Study Commission.

Study Commission Chair: David H. Brewer

Study Commission Vice Chair: Perry A. Atchison

Study Commissioner: Lowell J. Swenson

Director/City Clerk

on record with the Clerk and Recorder for Hill County, Montana.